



# San Diego City Attorney **MICHAEL J. AGUIRRE**

## **NEWS RELEASE**

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### **FEDERAL COURT PANEL ORDERS ALL LAWSUITS FILED AGAINST COUNTRYWIDE FINANCIAL TO BE HEARD IN SAN DIEGO**

**San Diego, CA—** All lawsuits filed across the nation against Countrywide Financial Corporation alleging predatory lending practices were ordered today to be consolidated and heard in San Diego in the Southern Federal District Court. Lawsuits have been brought by the San Diego City Attorney's Office, and Attorneys General of California, Florida, West Virginia, Connecticut, Illinois and Indiana.

The decision was announced today by the Federal Judicial Panel on Multidistrict Litigation (MDL) after a September 25, 2008 hearing in Boston to determine the appropriate venue for the Countrywide litigation. San Diego City Attorney Michael Aguirre was the only elected official to represent the City and argue before the MDL panel.

"San Diego has now become ground zero in the legal battle to stop foreclosures and rework these predatory loans that should never have been issued in the first place," said City Attorney Aguirre. "Keeping families in their homes is clearly a better option than destroying neighborhoods."

In its decision, the MDL panel refused to grant Countrywide's request to withdraw their Section 1407 motion to consolidate the pre-trial proceedings for the two cases that have been settled with the attorneys general of California and Illinois. Those settlements, however, have not yet been finalized.

The MDL panel selected the Southern District of California "because (1) two of the seven actions in this docket are pending in this district, (2) Countrywide's principle place of business is in California, and parties, witnesses, and documents may be found there, and (3) the Southern District of California has the capacity to handle this litigation."

On July 23, 2008, the San Diego City Attorney's Office filed a civil complaint against Countrywide alleging that the lending institution engaged in a "pattern of unlawful, fraudulent or unfair predatory real estate lending practices" that has caused numerous City of San Diego residents "to be in jeopardy of losing their homes through foreclosures." The San Diego City Attorney's lawsuit against Countrywide was one of the first nationally to call for a freeze on local home foreclosures.

This week the City Attorney's Office also filed two additional predatory lending practice lawsuits against Washington Mutual and Wachovia. ###

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